

LEADINGEDGE Leading Edge Claims
CLAIMS SERVICE
4508 Colleyville Blvd Ste C
Colleyville, TX 76034

LOSS REPORT

Final

Reference: Church Mutual Insurance Company, S.I.
P.O. Box 342
Merrill, WI 54452-0342

Attention: Jesse Barnum

Insured: CLEBURNE TRAINING & FITNESS, INC
NORTH NOLAN ROAD HOLDINGS I
1014 N NOLAN RIVER RD
CLEBURNE, TX 76033-7935

Report #: 1
Catastrophe Number: 2330
Policy Number: 0403117-25-430582
Claim Number: 000-01-263151
Date of Loss: 3/16/2023
Type of Loss: Hail
File Number:

ENCLOSURES:

Estimate, Statement of Loss, Photos (344), Eagleview Report and Invoice, Weather Data Provided by Roofer

COVERAGE:

Building	\$0.00	Eff. Dates:	From: 7/17/2022	To: 7/17/2023
		Mortgagee:		
		Deductible:	\$0.00	
		Co-Ins. Policy:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
		Forms:		

FIRST AND FINAL ASSIGNMENT

This loss was assigned to Leading Edge Claims Service on 4/11/2023. Once we received the assignment, we contacted the Insured on 4/13/2023 and inspected the property on 4/17/2023. Individuals present at the inspection include myself and roofer Dan Mizell.

Roofer/Contractor Present at Inspection? Dan Mizell with Futura Roofing Systems (469-460-0346)

Attorney/Public Adjuster Involvement? No.

COMMERCIAL RISK INSURED

Building

The Building risk is located at 1014 N NOLAN RIVER RD, CLEBURNE, TX and is a 2 story commercial building that was built on a concrete slab foundation. The exterior is covered with brick veneer and ribbed metal panels. The pitched roof is covered with ribbed metal panels. This building is average overall condition and maintained to the degree necessary for normal operations. The buildings is used as a gym and rehabilitation center.

COVERAGE ANALYSIS

Cause & Origin: The claim was filed for hail damage reported to have occurred on 3/15/2023. There is evidence of hail impact dents to the roofing system and exterior elevation (upper front).

No hail report was provided with the assignment or in XactAnalysis to confirm or deny hail at location on the reported date of loss.

The roofing contractor provided a CoreLogic hail report which indicates 2.4" hail at location on 3/16/2023. The contractor also provided an AI Driven Data report which indicates 2" hail at location on 3/16/2023. These reports have been uploaded with this assignment.

Coverage:

No policy information was provided with this assignment including coverage amounts, deductible, or policy type.

Wind and hail are not excluded under the Special Cause of Loss 127. The loss notice states this policy has Replacement Cost coverage on all buildings. The roofing contractor indicates there is a cosmetic exclusion for metal roofing surfaces.

I have not been able to confirm that a cosmetic exclusion is applied to this policy. The roofing contractor was certain the endorsement is applied to this policy and stated this was known as a result of conversations either he or the Insured had with CMIC.

As I could not confirm a cosmetic exclusion was applied, this report is based on the roofing contractor's assertion it does apply to this claim based on claimed conversations with CMIC.

Prior Claims: No prior claim information provided with the assignment.

ADJUSTER REMARKS

Building

Building Roof:

There were hail impact dents found on every roofing facet of the building roof. The hail impacts included in the photo report were marked by the roofer prior to the inspection. He advised he spent an entire day on the roofing in the days prior to the inspection.

While there were a few creases and other damage not related to hail impact (these were not included in the photo report), the vast majority of the identified damage was consistent with dents from hail impact.

The damage to the roofing system does appear cosmetic in nature (dent to metal). The roofer pointed out many impact dents which were on "seam" (where one panel overlaps the other). He strongly believes these impacts would cause any cosmetic exclusions to be nullified. I found these impacts as well as the others to be impact dents to metal.

Based on the assumption a cosmetic exclusion applies, no roofing estimate is included with this report. For purpose of reserves should CMIC determine there is coverage for this loss, I find the roof replacement would be greater than \$500,000.00.

Exterior Elevations:

There was hail damage to the front facing (West) upper level wall clad with 26 ga ribbed metal. As a cosmetic endorsement for roofing would not apply to this surface, this damage was included in the estimate. No other hail damage would be found to the exterior elevations.

Building Interior: There is damage from apparent roof leaks throughout the building. The damage includes water stains to varying degrees to suspended ceiling tiles. There was no less than 784 sq ft of suspended ceiling tiles damaged by water (this encompasses all rooms of the building).

The roofer also claimed there was damage to the drapery insulation to the ceiling of the indoor pool. While there was apparent water staining to the drapery insulation, I was unable to determine how much of this damage was related to condensation from the pool (high humidity in this room) and how much, if any, was related to roof leaks.

SUBROGATION/SALVAGE

Subrogation

No subrogation opportunities exist at this time.

Salvage

No salvage value noted for the limited amount of metal wall panels estimated.

Explanation of settlement:

Mark Simmerman was not present for the inspection and had the roofer serve as his representative. I advised the roofer my inspection findings and documentation would be reported to CMIC for their review. No coverage assessments were provided to the roofer and it was made clear I had no authority to make any coverage determinations.

Future Activity: There are no remaining items or outstanding issues to address at this time.